

Week Ending Friday, February 21, 2003

The President's Radio Address

February 15, 2003

Good morning. Last week the national terrorist threat level was raised to "high." This is primarily a signal to Federal, State, and local law enforcement to take additional precautions and increase security measures against potential terrorist attacks. Raising the threat level also informs the general public to be more alert to their surroundings and prepared for possible emergencies in the event of an attack.

Americans should go about their lives. And for those seeking specific guidance on how to be more vigilant, I encourage you to visit the Department of Homeland Security web site at DHS.gov.

These recent threats are a stark reminder that our country remains engaged in a war on terror. Our enemies are still determined to attack America, and there is no such thing as perfect security against a hidden network of killers. Yet, I assure you that our government at every level is responding to this threat, working to track down every lead and standing watch 24 hours a day against terrorism.

This past week, Secretary of Homeland Security Tom Ridge issued strategic plans to protect our critical infrastructure. These plans will guide local officials in securing our Nation's dams and powerplants, electrical grids, computer networks, and communications systems.

Our effort to safeguard the homeland includes tighter security at the borders and ports of entry. We have posted more than 50,000 newly trained Federal screeners at airports. We have begun inoculating troops and first-responders against smallpox. We are deploying the Nation's first early warning network of sensors to detect biological attack. And we are moving to better coordinate the efforts of law enforcement.

This week at FBI headquarters, I spoke to some of the fine men and women who are leading our antiterrorism efforts in law enforcement and intelligence. The FBI, CIA, Department of Homeland Security, and Department of Defense are working together as never before to assemble and analyze the threat information so we can act before our enemies can strike us.

We are gathering the best information possible and using it to make sure the right people are in the right places to protect our citizens. Throughout the country, Joint Terrorism Task Forces are bringing together Federal, State, and local officials to fight terrorism. The FBI is expanding its terrorist identification system so that 18,000 State and local law enforcement agencies will be able to identify known or suspected terrorists almost immediately. Local police will be able to access Federal terrorist information from their squad cars to determine whether individuals they have pulled over or detained have terrorist links.

I've also asked Congress to fill a critical need in our defense against bioterror by committing almost \$6 billion to quickly make available effective vaccines and treatments against agents like smallpox, anthrax, botulinum toxin, Ebola, and plague.

Our Nation is preparing for a variety of threats we hope never will arrive. Many of these dangers are unfamiliar and unsettling. Yet the best way to fight these dangers is to anticipate them and act against them with focus and determination. This vigilance is a fundamental responsibility of your Government, and we are fulfilling that duty in every way we can.

In the fight against terror, the American people are resolute. We will persevere, and we will prevail.

Thank you for listening.

NOTE: The address was recorded at 10:15 a.m. on February 14 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on February

15. The transcript was made available by the Office of the Press Secretary on February 14 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks at the Swearing-In Ceremony for William Donaldson as Chairman of the Securities and Exchange Commission and an Exchange With Reporters

February 18, 2003

The President. Darn right. Bill, welcome, and Jane, thanks for coming. It's my honor to welcome your family here to the Roosevelt Room. And I'm proud to welcome Bill Donaldson as the Chairman of the Securities and Exchange Commission.

Bill will be a strong leader of the SEC and a forceful advocate for the interests of investors. He's the right man at the right time. We're so honored you've agreed to accept this challenge, really appreciate it.

Bill Donaldson spent a career preparing for this challenge. He has served as a founder of a leading investment banking firm, chairman of the New York Stock Exchange, the founding dean of the Yale School of Management. He has set high standards throughout his entire career. He will lead an active and energetic agency.

This agency has been working hard. They've last year filed a record number of actions for financial reporting and disclosure violations, sought the removal of more than 100 corporate officers and directors on the grounds of misconduct, and ordered corporations and executives to return to investors hundreds of million dollars in improper gains.

This administration is committed to the enforcement of the security laws. We're committed to creating a climate of confidence in our markets. There's no better person to help achieve that commitment than Bill Donaldson. In the 2004 budget, I'm asking Congress to increase SEC funding by 73 percent over the year 2002. We want to make sure the SEC has the tools necessary to pursue its important mission.

This Nation is increasingly a nation of stockholders, who invest for their families and for their futures. Americans should be confident in the information they use in order to make investment decisions. All investors deserve to be treated fairly in the Tax Code as well. Investors should not be punished for saving and investing in America's future. Investors should not be—should be rewarded for taking risk in the marketplace. The Tax Code ought to treat these people fairly, and so that's why I've proposed that Congress end the unfair and unwise double taxation of dividends. This measure could improve corporate governance in America as well.

Companies across America attract investors in a number of ways. One such way is to promise rapid growth, is to say, "Even though we may not have cashflow, the future of our company is magnificent. Therefore, invest with us." Another way, of course, is to promise a steady source of income in the form of dividends. Eliminating double taxation of dividends would give more companies a reason to distribute their profits through direct cash to investors in the form of dividends. With dividends serving as a stronger foundation for long-term value, companies that pay them will have less motive to artificially inflate profits just to cause temporary increases in stocks.

Our law should not discriminate against those companies that focus on stable, long-term growth. Eliminating the double taxation of dividends is good for American investors; it's good for American seniors; it's good for corporate reform.

I'm glad Bill Donaldson has agreed to take charge of an agency with the vital purpose of showing the American investor that they're—can rely upon the data on which they use to evaluate investments, to really say to the markets loud and clear that we expect there to be corporate integrity throughout our system. This is a man who has not only set high standards but has achieved them. He's got a lot of talent and a lot of drive, a lot of wisdom, and a lot of integrity.

Mr. Chairman.

[At this point, Chairman Donaldson made brief remarks.]